



**BOARD OF EQUALIZATION
LEGISLATIVE COMMITTEE MEETING AGENDA
HONORABLE JUDY CHU, CHAIRWOMAN
450 N STREET, SACRAMENTO, ROOM 121
DECEMBER 16, 2008 9:30 AM**

----- Agenda -----

2009 Legislative Proposals

PROPERTY TAXES

2009 Legislative Proposals

Set forth below are suggestions for Property Taxes legislation to be sponsored by the Board in the first year of the 2009-2010 Legislative Session (see attachments). Additional suggestions will be included on the agenda for January 2009.

**Suggestion
Number**

- 1-1** **Add Section 62.3 to the Revenue and Taxation Code to provide an exclusion from a change in ownership when two individuals own a principal residence together (as joint tenants or tenants in common) and the property transfers from one cotenant to the other upon the death of the transferor cotenant with the survivor cotenant obtaining sole ownership of the property.**

Source: Honorable Betty Yee

Revenue Impact: Annual revenue loss of between \$175,000 and \$1.2 million.

- 1-2** **Amend Revenue and Taxation Code Section 276, related to the Disabled Veterans' Exemption, to delete obsolete references to prior exemption amounts that have since been increased, and to correct a transposition error within that section that intends a cross reference to Section 4985. (Housekeeping)**

Source: SB 1777, 2008 (Property and Special Taxes Department)

Revenue Impact: None

December 16, 2008

- 1-3** **Amend Revenue and Taxation Code Section 441 to eliminate a requirement that owners of noncommercial boats with an initial cost of more than \$100,000 file a property statement every year.**

Source: SB 1777, 2008 (Property and Special Taxes Department)

Revenue Impact: None

- 1-4** **Amend Government Code Section 15641 to clarify that a cross reference to “Section 408” refers to that section of code in the Revenue and Taxation Code rather than the Government Code. (Technical)**

Source: SB 1777, 2008 (Property and Special Taxes Department)

Revenue Impact: None

- 1-5** **Amend Revenue and Taxation Code Sections 480.3 and 480.4 to remove the specific detail of the Preliminary Change in Ownership Report from statute and instead authorize the Board to prescribe the form after consultation with the California Assessors' Association and interested parties.**

Source: SB 1777, 2008 (Honorable Betty Yee)

Revenue Impact: None.

- 1-6** **Amend Government Code Section 15606.5 and Revenue and Taxation Code Sections 670 and 671 to expressly allow the Board to deliver online continuing education training to certificated property tax appraisers through established web-based systems maintained by community colleges that charge fees for online courses.**

Source: SB 1777, 2008 (Property and Special Taxes Department)

Revenue Impact: None.

- 1-7** **Amend Revenue and Taxation Code Sections 69 and 69.3 to treat land and improvements as separate units in meeting the "substantially damaged or destroyed" threshold of 50% for purposes of qualifying for disaster relief via a base year value transfer.**

Source: SB 1777, 2008 (Property and Special Taxes Department)

Revenue Impact: Negligible.

- 1-8** **Amend Revenue and Taxation Code Section 214.6 to clarify the filing procedures for obtaining a property tax exemption on property owned by a church or a nonprofit organization that is leased to a public school, community college, state college, or state university, including the University of California.**

Source: SB 1777, 2008 (Property and Special Taxes Department)

Revenue Impact: None.

BUSINESS TAXES

2009 Legislative Proposals

Set forth below are suggestions for Business Taxes legislation to be sponsored by the Board in the second year of the 2009-2010 Legislative Session (see attachments). Additional suggestions will be included on the agenda for January 2009.

Suggestion Number

2-1 Add Sections 6591.6, 7655.5, 8876.5, 12631.5, 30281.5, 32252.5, 40101.5, 41095.5, 43155.5, 45153.5, 46154.5, 50112.6, 55042.5, and 60207.5 to the Revenue and Taxation Code to impose interest on a daily basis in cases where the Board, itself, meeting as a public body finds, taking into account all facts and circumstances, that it would be inequitable to impose an entire month's interest on a prepayment or payment made one day late, under specified circumstances.

Source: AB 1901, 2008 (Honorable Michelle Steel)

Revenue Impact: Annual interest loss of less than \$10,000 annually

BUSINESS TAXES SALES AND USE TAXES

2009 Legislative Proposals

Set forth below are suggestions for Sales and Use Taxes legislation to be sponsored by the Board in the first year of the 2009-2010 Legislative Session (see attachments). Additional suggestions will be included on the agenda for January 2009.

Suggestion Number

- 3-5** **Add Revenue and Taxation Code Section 6018.3 to the Sales and Use Tax Law to specify that a United States veteran, as specified, shall be regarded as a consumer, rather than a retailer, of food products and nonalcoholic beverages that he or she sells, provided that, for purposes of selling these items, the veteran has no employees and no permanent place of business, as defined.**

Source: AB 3009, 2008 (Honorable Betty Yee)

Revenue Impact: Annual state and local revenue loss of \$108,000.

- 3-6** **Add Section 6363.4 to the Revenue and Taxation Code to provide an exemption from the sales and use tax, sales of tangible personal property by thrift stores operated by specified nonprofit organizations that provide, in partnership with the Navy and Marine Corps, financial, educational, and other assistance to members of the Naval Service of the United States, eligible family members, and survivors when in need.**

Source: AB 1919/SB 1450, 2008 (Honorable Michelle Steel and Honorable John Chiang)

Revenue Impact: Annual state and local revenue loss of \$16,000.

- 3-7** **Amend Revenue and Taxation Code Sections 6011 and 6012 to eliminate the sales and use tax exclusion for separately stated charges for transportation.**

Source: Honorable Betty Yee

Revenue Impact: Annual \$33 million state and local revenue increase

ADMINISTRATION

2009 Legislative Proposal

Set forth below is a suggestion for administrative legislation to be sponsored by the Board in the first year of the 2009-2010 Legislative Session (see attachments). Additional suggestions will be included on the agenda for January 2009.

Suggestion Number

5-1

Amend Government Code Section 15609 to require the Members of the Board to meet monthly in the state but not exclusively in Sacramento so long as they hold at least one regular meeting in Sacramento each quarter.

Source: SB 1777, 2008 (Honorable Betty Yee, Bill Leonard, Michelle Steel, Judy Chu, and John Chiang)

Revenue Impact: None